

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Green River District
Price Field Office
125 South 600 West
Price, UT 84501
http://www.blm.gov/ut/st/en/fo/price.html



JUL 0 1 2015

In Reply Refer To: 3482(UTG023) UTU-63214 RECEIVED JUL 07 2015

CERTIFIED MAIL – RETURN RECEIPT REQUESTED 7014-2120-0004-6190-8432

DIV. OF OIL, GAS & MINING

Bowie Resource Holding, LLC C/O Canyon Fuel Company, LLC Attn: Mark Bunnell 597 S. SR24 Salina, Utah 84654

Re: Approval of Minor Coal Exploration Plan, Sevier County, Utah

Dear Mr. Bunnell:

On November 26, 2013, the Bureau of Land Management, Price Field Office (PFO) received a plan to conduct coal exploration on Federal Coal Lease UTU-63214. An environmental assessment was conducted and a Finding of No Significant Impacts was signed. The plan was approved Jun 11, 2014, by the PFO and exploration ensued. On May 27, 2015, Mr. Bunnell sent an email to the PFO requesting to twin boring S-14, stating that exploration expectations were not met, that coal samples could not be taken at that location, and geophysical tests were not possible under the drilling conditions then present. The Manti-LaSal National Forest (FS) was included in the request.

On June 26, 2015, the PFO received FS concurrence for the proposal, "in accordance with the Exploration Plan and Conditions of Approval included in the previously approved SUFCO Lease U-63214 Exploration Plan 2014 Holes O-14, P-14, and S-14 Permit Book"

Therefore, the PFO approves the request and authorizes Bowie Resources to continue the exploration of UTU-67939 subject to the terms and conditions and special stipulations associated with the lease.

This decision may be appealed to the Interior Board of Lands Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR Part 4, and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (at the above address) within 30 days from the receipt of this decision. The appellant has the burden of showing that the decision from is in error.

If you have any questions regarding this matter, please contact Chris Conrad at 435-636-3612 or cconrad@blm.gov

Sincerely,

ACTING FOR

Ahmed Mohsen Field Manager

Enclosures:

- 1. BLM/Forest Service Stipulations (3 pp)
- 2. Form 1842-1

cc: Steve Rigby, Price Field Office (UTG023)

Bill Buge, Utah State Office (UT-924)

Mark Pentecost Manti-La Sal National Forest 599 Price River Drive Price, Utah 84501

Dana Dean Utah Division of Oil, Gas and Mining 1594 West North Temple P.O. Box 145801 Salt Lake City, Utah 84114-5801

Stipulations for Exploration

- 1. Conducting a pre-work meeting A pre-work meeting including the responsible company representative(s), contractors, and the Forest Service (FS) must be conducted at the project location prior to commencement of operations. Site-specific FS requirements will be discussed at this time.
- 2. **Road Use Permit required** A Road Use Permit must be obtained from the FS before equipment is transported onto National Forest System lands.
- 3. **Supervision of reclamation; Onsite copy of permit** Operations including reclamation must be supervised by a responsible representative of the permittee/licensee who is aware of the terms and conditions of the projects permits/licenses. A copy of the appropriate permits/licenses must be available for review at the project site and presented upon demand to any FS Official.
- 4. **FS notification of heavy equipment presence and work commencement** The FS shall be notified 48 hours in advance that heavy equipment will be moved onto National Forest System lands and that surface disturbing activities will commence.
- 5. **FS notification of changes to Plan of Operations (POO)** The FS must be notified of any proposed alterations to the POO and alterations shall be approved prior to commencement.
- 6. **Fire suppression equipment availability** Fire suppression equipment must be available to all personnel working at the project site. Equipment must include at least on hand tool per crew member consisting of shovels and pulaskis and one properly rated fire extinguisher per vehicle and/or internal combustion engine.
- 7. **Muffler, spark arrestor requirement** All gasoline, diesel, and steam-powered equipment must be equipped with effective spark arrestors or mufflers. Spark arresters must meet FS specifications discussed in the "General Purpose and Locomotive (GP/L) Spark Arrester Guide, Volume 1, April 1988; and "Multi-position Small Engine (MSE) Spark Arrestor Guide, April, 1989." In addition, all electrical equipment must be properly insulated to prevent sparks.
- 8. Liability for fire suppression damage and costs The permittee/licensee will be held responsible for damage and suppression costs for fires started as a result of operations. Fires must be reported to Richfield Interagency Fire Center at 435-896-8404 as soon as possible.
- 9. **Fire restriction compliance requirement** Operations are subject to FS fire restrictions and the FS reserves the right to suspend operations during periods of high fire potential.
- 10. **Compliance with water right law requirement –** Water needed in support of operations must be properly and legally obtained in accordance with Utah State water laws.
- 11. Compliance with motorized travel plan Unauthorized off-road vehicular travel is prohibited.
- 12. **Protection and replacement of survey markers** Section corners or other survey markers, including claim corners, in the project area must be located and flagged for preservation prior to commencement of surface disturbing activities. The removal, displacement, or disturbance of markers must be approved by the proper authority. Replacement will be done by the proper authority at the expense of the permittee/licensee.
- 13. **Protection of discovered cultural/paleontological resources** If cultural or paleontological resources are discovered during operations, all operations which may result in disturbance to the resources must cease and the FS must be notified of the discovery.
- 14. **Liability for damage to roads and other improvements** The permittee/licensee will be held responsible for all damage to fences, cattleguards, resource improvements, roads, and other structures on National Forest System lands which result from their operations. The FS must be notified of damages as soon as possible.
- 15. Coordination with livestock permittees Operations must be coordinated with grazing permittees to prevent conflicts.
- 16. Wildlife, livestock harassment prohibited Harassment of wildlife and livestock is prohibited. Areas of elk calving (nurseries) as shown on the attached map shall be avoided with adjustments in flight lines.

- 17. **Reporting of water encountered during drilling** Significant water encountered during drilling must be reported to the FS, including the depth and formation at which it was encountered, and an estimate of the flow.
- 18. **Plugging of drill holes** All drill holes must be plugged in accordance with Federal and State regulations.
- 19. **Busy weekend road use by heavy equipment prohibited** Drill rigs and heavy equipment (not including water trucks) must not be transported over National Forest System roads during the opening weekend of the general elk hunt nor during the opening weekend of the general deer hunt and during holiday weekends (Friday through Monday for Federal Holiday weekends and Friday through Sunday for the opening weekends of the hunts).
- 20. Seed mix requirements Seeding will be done with the following basic certified seed mix:

SEED MIX			
Common Name	Scientific Name	Lbs/acre	
Western Wheatgrass	Elymus smithii	2.0	
Basin Wild Rye	Elymus Cinereus	1.0	
Intermediate Wheatgrass	Elymus hispidus	2.0	
Blue Leaf Aster	Aster glaucodes	0.25	
Lewis Flax	Linum lewisii	0.50	
Small Burnet	Sanguisorbia minor	1.0	
Silvery Lupine	Lipinus argentis	1.0	
True Mahogany	Cercocarpus argentius	1.0	
Bitterbrush	Pershia tridentate	1.0	
Total		9.75	

The certified weed-free seed mixture must be 99 percent pure live seed containing a maximum of 1% weeds none of which are noxious.

- 21. **Noxious weed control** The operator will be held responsible for control of noxious weed infestations found to be a result of this drilling operation. Vehicles and drilling equipment are to be cleaned prior to entering National Forest System lands.
- 22. Protection of active goshawk nests -
 - Drilling activities for holes that are located within the half mile buffer zone of active nests would be scheduled outside the fledging and nesting period, which is generally March 1st through September 30th. Drilling may occur prior to September 30th if the FS determines that fledging is complete. Prior to mobilization to drill holes within the half mile buffer zone, Canyon Fuel Company would monitor the nests activity and transmit the data within 24 hours of the survey to the United States Forest Service (USFS) and the United States Fish and Wildlife Service.
 - All non-essential flights would be conducted at 1000 feet above ground level and flight lines would be readjusted to avoid flying within a half mile of active nests.
- 23. Water source and use guidelines Recent discovery of whirling disease in additional creeks on the Fishlake National Forest has prompted development of the following guidelines. It is important that we do not move water between drainages within the Salina Creek watershed, and that we do not move waters upstream within a drainage.
 - 1. Water should come from a local source. It should not be released to a creek or stream but should be discharged (if necessary) to the ground where it soaks in the soil or evaporates.
 - 2. Pipelines that cross streams/creeks should be built/structured and maintained so that a leak from the pipe won't enter the stream/creek if the water came from somewhere else.

- 3. If the same equipment is being used to draft water from different sources, the equipment should be clean and dry between each use. If not, then it should be disinfected with Quat 128 or a Clorox solution. Region Four (USFS) fire operation guidelines provide direction if desired.
- 24. Compliance with all United States Department of Agriculture (USDA) rules and regulations The licensee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set fort at Title 36, Chapter II of the Code of Federal Regulations governing the use and management of the National Forest system (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as FS Roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor Fishlake National Forest 115 East 900 North Richfield, UT 84701

Telephone Number: 435-896-9233

The Forest Supervisor is the authorized representative of the Secretary of Agriculture.

Additional BLM Stipulations

- 1) All drilling fluids, mud, and cuttings shall be contained and properly disposed of prior to reclamation.
- 2) During drilling operations all trash, garbage, and other refuse shall be properly contained on the project site prior to disposal at authorized sites.
- 3) The permittee/licensee shall clean up and remove all drilling equipment, trash, garbage, flagging, vehicles, and other such materials.
- 4) Disturbed areas shall be reclaimed by the end of the field season.
- 5) Contaminated soil and gravel shall be stripped and hauled off prior to site reclamation.
- 6) Drill sites shall be reclaimed by selectively backfilling excavated materials, topsoil last, such that the disturbed area is replaced to its approximate original contour. The disturbed area must be seeded with the specified seed mix.
- 7) All disturbed drainages shall be replaced to their approximate original configuration when the project area is reclaimed.
- 8) Equipment used for transport, storage, or pumping water will be clean and dry prior to entry on the Forest.

Form 1842-1 (September 2006)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

ide the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served the the decision being appealed must transmit the Notice of Appeal in time for it to be filed in the office when is required to be filed within 30 days after the date of service. If a decision is published in the FEDERA' GISTER, a person not served with the decision must transmit a Notice of Appeal in time for it to be filed thin 30 days after the date of publication (43 CFR 4.411 and 4.413). S. Department of the Interior, Bureau of Land Management, Utah State Office, P.O. Box 45144, Salt Lake City, Utah 145-0155 S. Department of the Interior, Bureau of Land Management, Utah State Office, 440 W. 200 S., Salt Lake City, Utah 84101 fice of the Regional Solicitor, U.S. Department of the Interior, 6201 Federal Building, 125 South State Street, Salt Lake cy, Utah 84138-1180 ithin 30 days after filing the Notice of Appeal, file a complete statement of the reasons why you are appealing is must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior and of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated ur reasons for appealing when filing the Notice of Appeal, no additional statement is necessary
2. You believe it is incorrect PPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who did the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served the the decision being appealed must transmit the Notice of Appeal in time for it to be filed in the office where is required to be filed within 30 days after the date of service. If a decision is published in the FEDERA (SISTER, a person not served with the decision must transmit a Notice of Appeal in time for it to be filed thin 30 days after the date of publication (43 CFR 4.411 and 4.413). S. Department of the Interior, Bureau of Land Management, Utah State Office, P.O. Box 45144, Salt Lake City, Utah 145-0155 S. Department of the Interior, Bureau of Land Management, Utah State Office, 440 W. 200 S., Salt Lake City, Utah 84101 fice of the Regional Solicitor, U.S. Department of the Interior, 6201 Federal Building, 125 South State Street, Salt Lake y, Utah 84138-1180 ithin 30 days after filing the Notice of Appeal, file a complete statement of the reasons why you are appealing is must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior and of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated ur reasons for appealing when filing the Notice of Appeal, no additional statement is necessary
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thin 15 days after each document is filed, each adverse party named in the decision and the Regional licitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a by of: (a) the Notice of Appeal, (b) the Statement of Reasons, and (c) any other documents filed 3 CFR 4.413).
thin 15 days after any document is served on an adverse party, file proof of that service with the United States partment of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy eet, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt rd" signed by the adverse party (43 CFR 4.401(c)).
preperty where program-specific regulations place this decision in full force and effect or provide for an omatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal ess a petition for a stay is timely filed together with a Notice of Appeal (43 CFR 4.21). If you wish to file etition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by Interior Board of Land Appeals, the petition for a stay must accompany your Notice of Appeal (43 CFR 4.21). If you wish to file of CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification on the standards listed below. Copies of the Notice of Appeal and Petition for a Stay must also be submitted ach party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the icitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a you have the burden of proof to demonstrate that a stay should be granted. **ndards* for Obtaining a Stay**. Except as otherwise provided by law or other pertinent regulations, a tion for a stay of a decision pending appeal shall show sufficient justification based on the following iderds: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's
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Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

(Continued on page 2)

43 CFR SUBPART 1821--GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION:

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)